

Hearing Date and Time: December 10, 2020 at 10:00 am (Eastern Time)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
SEARS HOLDINGS CORPORATION, <i>et al.</i> , ¹)	Case No. 18-23538 (RDD)
)	
Debtors.)	(Jointly Administered)
)	

**DECLARATION OF DALE MENENDEZ IN SUPPORT OF TRANSFORM
HOLDCO LLC'S BRIEF IN OPPOSITION TO THE DEBTORS'
MOTION TO COMPEL TURNOVER OF ESTATE PROPERTY**

I, Dale Menendez, declare under penalty of perjury as follows:

1. I respectfully submit this declaration in support of Transform Holdco LLC's
("Transform") Brief in Opposition to the Debtors' Motion to Compel Turnover of Estate
Property.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 130 W. 44nd St., 17th Fl., New York, NY 10036.

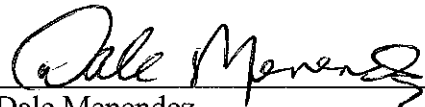
2. I am the Director of Risk Property Claims for Transform. I was previously the Director of Risk Property Claims for Sears Holding Corporation (“Sears”) until Transform acquired substantially all of Sears’s assets on February 11, 2019. In this role for both Transform and Sears, I have been actively involved in managing the Litigation and Insurance Claims, as defined in the Settlement Agreement between the Debtors and Transform, dated September 17, 2020 (the “Second APA Settlement Agreement”).

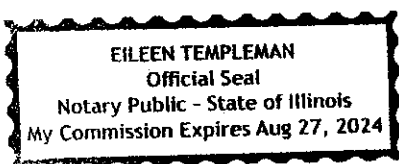
3. Attached hereto as Exhibit A is a true and correct copy of an email from William Gallagher of M-III Partners, LP to Dale Menendez, dated October 30, 2020, with attachment.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true
and correct to the best of my knowledge, information, and belief.

Executed on December 2, 2020 in Hoffman Estates, Illinois.

Respectfully submitted,


Dale Menendez



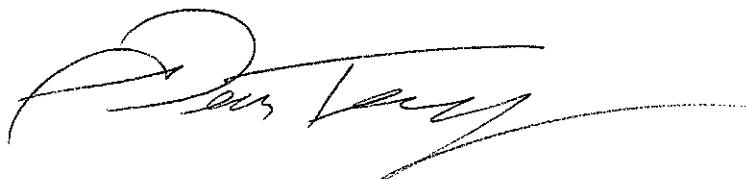


Exhibit A

From: [William Gallagher](#)
To: [Menendez, Dale](#); [Jenchel, Laurence](#)
Cc: [Robert E. Wilens](#); [Rich Kellner](#)
Subject: TBK Retainer Review
Date: Friday, October 30, 2020 10:07:35 AM
Attachments: [image593892.png](#)
[TBK Sear-Transform Retainer Account Summary.xlsx](#)

Enterprise Security Team Alert: This email originated from outside of the organization. Please use caution when opening messages from external sources.

Dale and Larry:

I have prepared a spreadsheet which shows the management and expenditure of the proceeds of certain Litigation and Insurance Claims (as defined in the Settlement Agreement between Transform and the Debtors dated September 17, 2020) maintained by Bob Wilens of TBK and owned by the Debtors under the APA and that Settlement Agreement. As you'll see, some of those proceeds, which unquestionably belong to the Debtors under both the APA and the Settlement Agreement, have been deposited into Transform bank accounts or used to satisfy Transform obligations to TBK or expert witness firms retained by TBK for Transform's benefit. Can we schedule a time to discuss this and other related matters? I'm available today and next week..

Please note that the management of the proceeds of these claims is the subject of ongoing review and that the Debtors reserve all rights with respect to those proceeds and/or claims.

Regards

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Please note that we have moved to new offices and updated our telephone numbers and email addresses.

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